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SOLOMON ISLANDS

Statement by H.E. Mr Trevor Olavac
Minister of Commerce, Industries and Employment

I thank you, and your Government and people for hosting this Conference and for the very warm hospitality.

And may I join those who have spoken before me in welcoming the delegations of Cambodia and Nepal, my fellow LDCs, to our midst. We certainly look forward to more LDCs and other countries joining our membership.

Cancún is a mid-point for the Doha Work Programme. On the basis of our assessment of the progress achieved so far, we will have to take decisions and give directions on completing the work programme. Success here at Cancún is therefore crucial.

For my delegation, the success of Cancún will very much depend on the extent to which we address and take on board the development dimension of the Doha Declaration. Our objective is for an open, equitable, and rule-based multilateral trading and financial system. Cancún must deliver in these areas.

An equitable and fair trading system places the onus on WTO Members to take into account issues such as differences in income, economic size, technological development, and private sector capacities among others. Given such differences, the trading system must provide Member States greater flexibility and policy space, and special and preferential treatment in market access and market entry for LDCs and small vulnerable States.

Special and differential treatment remains essential for the development of LDCs and small economies. This is the rationale for expanded, operational, effective and mandatory S&D provisions in existing and future agreements. This is also the rationale for the establishment of the Work Programme for Small and Vulnerable Economies as agreed in paragraph 35 of the Doha Declaration.

I do not wish to repeat what my other colleagues, particularly from the Caribbean and the Pacific, have already said, or will say on the essence of this work programme and the major negotiating issues. I would rather focus on two issues they have also underscored. The first is the issue of subsidies, particularly fisheries subsidies, which is currently under discussion at the Negotiating Group on Rules.

Since the establishment of the WTO's Committee on Trade and Environment, a number of Members have focussed on the elimination of fisheries subsidies as possibly the greatest contribution the multilateral trading system could make to sustainable development. Their argument is that subsidies are responsible for the unsustainable exploitation of many fish stocks and should therefore be subject to new and enhanced disciplines.

But if there is one resource that Solomon Islands, or any other country in the Pacific region, can claim to have in relative abundance – it is fish. Our region provides 45 per cent of the world's tuna landings and thanks to the region's management regime, there are fish stocks in excess of the existing catch capacity of the domestic and foreign fishing fleets.

In these countries, many of which are least-developed countries, significant government revenue has been generated from access fees from developed and developing country distant water fishing nations. These access fees are almost always negotiated through bilateral agreements where the distant water fishing nations also provide invaluable development assistance. And in order to attract local and foreign investment in the fisheries sector, we have offered incentives to both local and foreign fishers to supply domestic processing facilities.

These access fees and incentives are therefore vital if small vulnerable States like Solomon Islands are to develop their economies as well as their domestic fisheries sector. They are even more vital for those States where fish is the only resource they have in relative abundance. The development assistance provided in these access fees and the incentives for domestic fishers should therefore be explicitly excluded from definition of subsidy. They should be treated as non-actionable subsidies.

Another issue I will focus on is technical assistance. At the outset I must commend the efforts by the WTO, UNCTAD and other international organizations and donors to enhance our capacity. Much, however, remains to be done.

In the process of trade liberalization, we would still require adjustment support to deal with competitive pressures arising from liberalization and erosion of preferences. This is particularly applicable to LDCs and small economies like mine whose export revenue depends on a few primary products.

This is where technical cooperation and capacity-building, core elements of the development dimension of the Doha Declaration, can play a very useful role. We will require substantial and additional financial resources to strengthen our institutions, policies and capacities to produce competitive goods and services for exports.

Further technical assistance should be targeted at providing attachments to WTO and increasing human and financial resources to enable non-residents to participate effectively in the negotiations of WTO rules. I am sure you will agree with me, Mr Chairman, that no amount of technical assistance would be enough unless we have a voice in Geneva. We need to be seen and heard if we are to take advantage of the rules that will shape and define the benefits of trade liberalization.

I did say that our success here would very much depend on the extent to which we take on board the development dimension of Doha. It is in the spirit of that development dimension that my delegation reaffirms the Dhaka Declaration of the Trade Ministers adopted in June 2003 and the ACP Declaration adopted in Brussels in August 2003.

On that note we look forward to continue the work on small economies so that it is completed by 1 January 2005 and for the strengthening of the Integrated Framework for LDCs to ensure it effectively contributes to reducing our supply-side constraints and help expand and diversify our export base. We call on Members to reaffirm their commitments to the Work Programme on Small Economies and the Integrated Framework for the LDCs.
